COMPANY OVERVIEW

Microgy is a developer, owner and operator of renewable gas facilities.

Microgy uses advanced anaerobic digestion technology to extract methane-rich biogas from animal and food industry waste. Energy that is produced is cost-effective, clean, reliable and secure. Microgy's system helps farms and businesses manage the wastes they generate.

 1600 Jackson St, Suite 350, Golden, CO 80401 www.microgy.com

MICROGY BACKGROUND

- **Microgy, Inc. is a wholly owned subsidiary of Environmental Power Corporation**
- **License Agreement - Dansk Biogas Technology:**
  - ✓ **Commercial technology with over 25 projects**
  - ✓ **Over 15 years of operating success**
- **Three U.S. Projects operational (WI)**
- **One under construction (Stephensville, TX)**
- **20 digesters in varies stages of development**

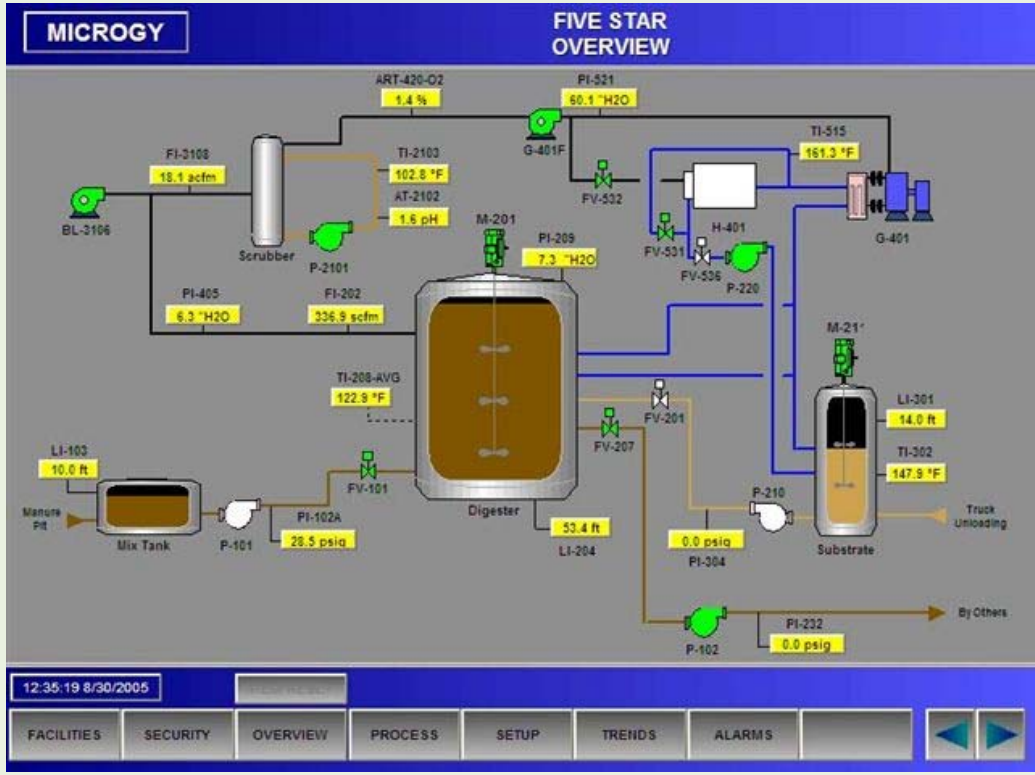
Avoiding Digester Operating Pitfalls

- Develop Preventative Maintenance program and schedule
- Reliability improvement focus
- If necessary improve performance w/ design and equipment changes
- Develop spare parts strategy and logistics…
- Add plant “call-out” system to improve response time

 1600 Jackson St, Suite 350, Golden, CO 80401 www.microgy.com

Additional Actions to Improve Operations

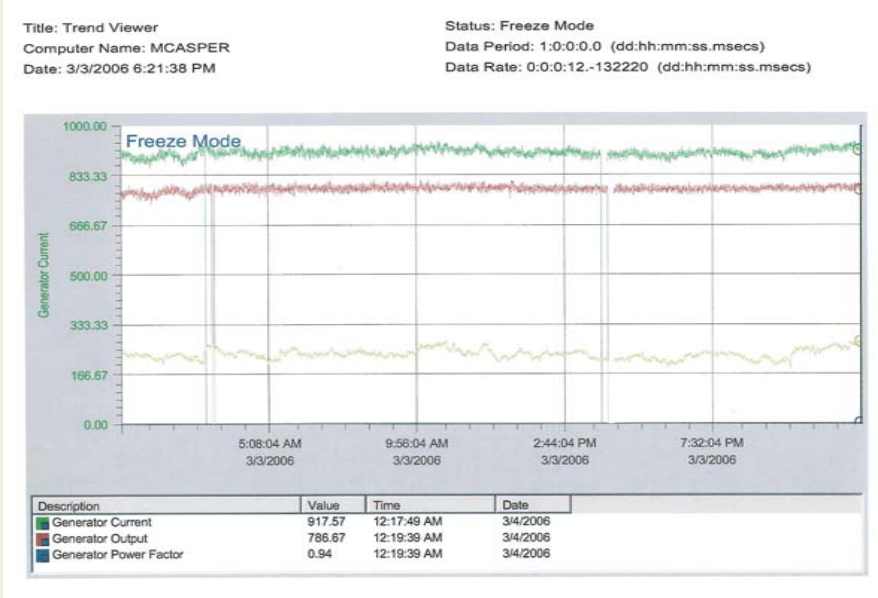
- Develop effectiveness of employees (ie: training and communication)
- Improve planning of work and manpower (ie: schedules)
- Continuously develop new and improve existing methods and procedures
- Utilize lessons learned as improve existing operations and design and build new operations
- Implement tools that tract and maintain trends and records (ie: log book, production and trending data)



 1600 Jackson St, Suite 350, Golden, CO 80401 www.microgy.com

Tools Used to Improve Operations

- **Intranet log book/database**
  - ✓ Record field data and maintenance activities
  - ✓ Provides access to all field service documents (ie: procedures, schedules and inventory lists)
  - ✓ Record and time stamp all scheduled and unscheduled outages



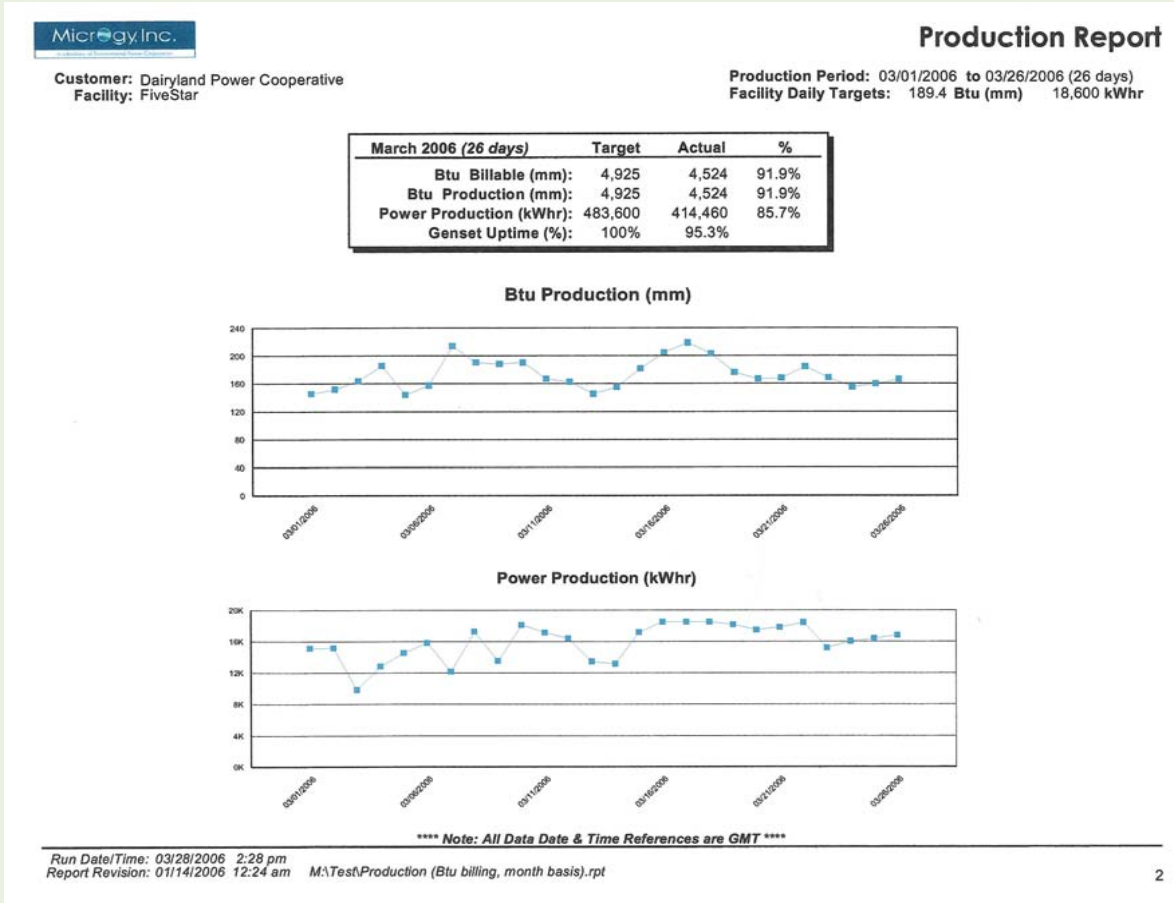
- **System Trending**

- **Production and Performance Reporting**
  - ✓ Production reports
  - ✓ Aggregate production, Intranet and trending data to develop standard performance, productivity and maintenance reports
  - ✓ Weekly and monthly reports help flag issues before they impact reliability and hinder performance

 1600 Jackson St, Suite 350, Golden, CO 80401 www.microgy.com

Operation/Performance Results

- **Engine-generator sets operating at 95+% on-stream factor**
- **Current Btu Production 90+% of target**
- **Current capacity factor of 85+%**
- **Capacity factor goal: 90+%**



Microgy Inc.

Production Report

Customer: Dairyland Power Cooperative
Facility: FiveStar

Production Period: 03/01/2006 **to** 03/26/2006 (26 days)
Facility Daily Targets: 189.4 **Btu (mm)** 18,600 **kWhr**

March 2006 *(26 days)*	Target	Actual	%
Btu Billable (mm):	4,925	4,524	91.9%
Btu Production (mm):	4,925	4,524	91.9%
Power Production (kWhr):	483,600	414,460	85.7%
Genset Uptime (%):	100%	95.3%	

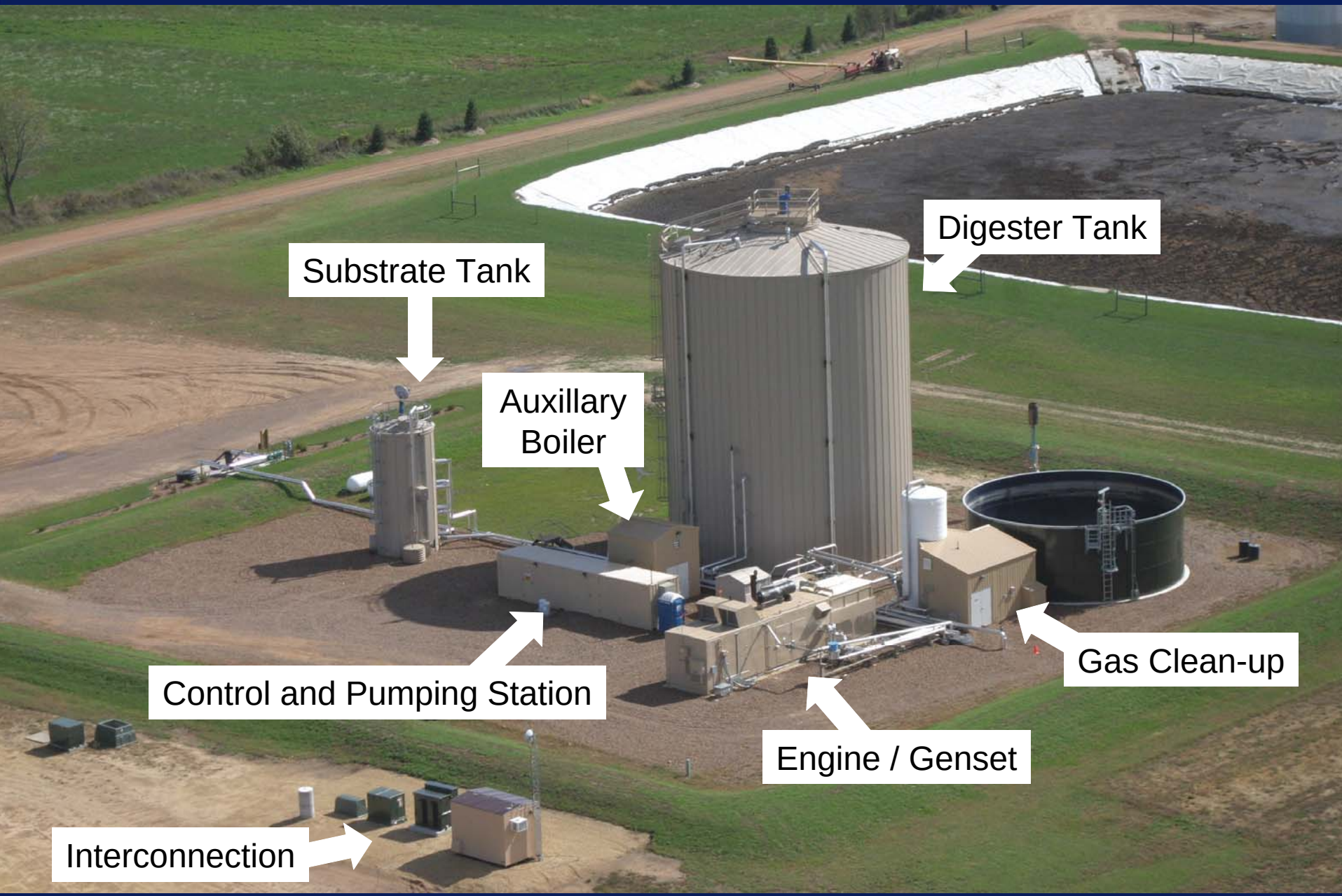
Btu Production (mm)

Power Production (kWhr)

**** Note: All Data Date & Time References are GMT ****

Run Date/Time: 03/28/2006 2:28 pm
Report Revision: 01/14/2006 12:24 am *M:\Test\Production (Btu billing, month basis).rpt*

2


Digester Tank
Substrate Tank
Auxillary Boiler
Control and Pumping Station
Gas Clean-up
Engine / Genset
Interconnection